

**In The Matter Of:**  
*MARY PHILLIPA SLEDGE vs.*  
*INDICO SYSTEM RESOURCES, INC.*

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*CLEAL T. WATTS, III*  
*August 20, 2015*

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*Alpha Reporting Corporation*  
*236 Adams Avenue*  
*Memphis, TN 38103*  
*901-523-8974*



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1                   The deposition of CLEAL T. WATTS, III,  
2 taken on this, the 20th day of August, 2015, on  
3 behalf of the Plaintiffs, pursuant to notice and  
4 consent of counsel, beginning at approximately  
5 8:29 a.m. in the law offices of Ballin, Ballin &  
6 Fishman, 200 Jefferson, Suite 1250, Memphis,  
7 Tennessee.

8                   This deposition is taken in accordance  
9 with the terms and provisions of the Federal Rules  
10 of Civil Procedure.

11                  All forms and formalities are waived.  
12 Objections are [reserved/not reserved], except as  
13 to form of the question, to be disposed of at or  
14 before the hearing.

15                  The signature of the witness is waived.

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1 authority and he signed it.

2 Q. So it's your testimony that you do not  
3 have in your possession any written agreement  
4 between you and Sheku Kondeh; is that correct?

5 A. Yes. We got lots of written agreements,  
6 but it's all transaction to transaction. It's not  
7 something that is an ongoing --

8 MR. PIETRANGELO: I will follow it up  
9 in writing, but we'll make a request for those.

10 Q. Have you ever visited a bank with Sheku  
11 Kondeh?

12 A. No.

13 Q. Where does Sheku Kondeh bank?

14 A. Guaranty Trust. That's the only one  
15 that -- well, there might be a couple of others,  
16 but I don't really know about them. Skype --  
17 not -- there's another one that I heard about  
18 that's recent. I can't remember the name.

19 Q. How do you know that he banks at Guaranty  
20 Trust?

21 A. Because I wired him money there for  
22 handling the transactions.

23 Q. Do you know when he started banking there?

24 A. I do not.

25 Q. Is it his bank account that you wire money

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1 to?

2 A. I don't -- can't say for sure. I know  
3 that he's the signatory authority on it. And it's  
4 also set up because he has to use his passport and  
5 name to -- you know, for access for security  
6 reasons.

7 Q. And you have sent some of plaintiffs'  
8 money to that account, correct?

9 A. All the plaintiffs' money except for just  
10 very little bit went there.

11 Q. And you don't know who owns it?

12 A. Who owns what?

13 Q. The bank account.

14 A. I assume it's him.

15 Q. You assume or you know it's him?

16 A. If it was somebody -- well, I have  
17 talked -- I know it's -- I guess I know it's him  
18 because I have talked to the bank officer.

19 Q. What bank officer?

20 A. Desmond I think. I don't know full name.

21 Q. Does the dyslexia affect memory, do you  
22 know?

23 A. Only proper nouns.

24 Q. Only last names?

25 A. No. It could be first names.

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1 MR. TOWNLEY: Object to the form.

2 Q. You have gotten every first name right --

3 A. I still don't know your first name.

4 Q. I understand that.

5 A. Okay. So it affects any proper noun.

6 Proper noun can be a name. It can be -- it's a  
7 proper noun. It's a name of something.

8 Q. But you haven't missed any first names or  
9 any countries?

10 A. Oh, sure, I miss a lot of first names.

11 And countries, there's only three countries.

12 Q. So someone named Desmond has confirmed for  
13 you that Sheku Kondeh owns the account that you  
14 sent all the plaintiffs' money to?

15 A. Yeah.

16 Q. Why did you ask Desmond that question?

17 A. I did. We were talking about it and it  
18 came up in a discussion for how you transact for  
19 wires.

20 Q. Have you ever seen any corporate  
21 documents --

22 A. No.

23 Q. -- for who owns that?

24 A. No.

25 Q. Are you familiar with the term due

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1 diligence?

2 A. Yes.

3 Q. Do you think that you performed due  
4 diligence on this account before you sent all of  
5 my clients' money there?

6 MR. TOWNLEY: Object to the form.

7 A. Yes.

8 Q. What did you do to perform that due  
9 diligence?

10 A. Talking with the bank officer.

11 Q. So you talked to Desmond before you sent  
12 the money?

13 A. Yes. Oh, well, I take that back. It may  
14 not have been Desmond. It might have been another  
15 one of the bank officers, but it was to the  
16 bank set for any bank -- well, never mind. I  
17 don't want to go too long. Never mind.

18 Q. Well, I'm interested.

19 A. The banking due diligence was done, yes.

20 Q. And do you have any documents --

21 A. No.

22 Q. -- that would corroborate that?

23 A. There's not any documents done.

24 Q. Do you think due diligence is an important  
25 part of the process?

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1 account where you sent the plaintiffs' money?

2 A. A document?

3 Q. Yes.

4 A. I have never seen a document.

5 Q. How do you know there's no money there  
6 anymore?

7 A. Talking to Desmond.

8 Q. Desmond gave you that information?

9 A. Yes, and I talked with --

10 Q. Are you authorized on that account?

11 A. I'm sorry?

12 Q. Are you authorized on that account?

13 A. No, I'm not.

14 Q. Then why would Desmond give you that  
15 information?

16 A. Because Kondeh was on the phone when we  
17 were talking a three way.

18 Q. Okay. And what was said on that phone  
19 call?

20 A. We were actually talking about the rate of  
21 exchange and the cost. Like if it needed \$1400  
22 there, how much all was it going to be over that  
23 because of exchange rates and everything else. If  
24 you do the bank rates, they have a different rate  
25 than if you do it out in the open market or

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1 said you wrote it.

2 MR. TOWNLEY: Let him ask his  
3 question.

4 A. Okay. Ask your question.

5 Q. When you say "our corporate U.S. dollar  
6 account for ISR," what account are you talking  
7 about?

8 A. There isn't one over there.

9 Q. So that was a lie?

10 A. What I was referring to was the account  
11 that monies are sent to to handle over there that  
12 is not ours and that part -- if you're calling  
13 that part of it, yes, it's a lie. But in the  
14 transactions we're doing -- in our transactions  
15 that we are dealing with, the institution account  
16 that is theirs and belongs to them over there that  
17 we deal with, which is ours, the whole thing is to  
18 do business, is that account over there is under  
19 Sheku Kondeh. It's not our account. We're not  
20 the signatory on anything else, but it is who our  
21 partners are that we're dealing with and getting  
22 gold back and forth and eventually machinery and  
23 everything else.

24 Q. So why are you telling the bank that it's  
25 your corporate U.S. dollar account?

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1 A. Because it's -- it has to be a corporate  
2 account for dollars that goes in, and it is --  
3 it's the account they use titled under Sheku  
4 Kondeh which he is the authority that's a  
5 corporate dollar account. It's the title. It has  
6 to be -- it's titled as a corporate dollar  
7 account. Not that it's -- and it's our I guess  
8 you call partners. However --

9 Q. Can you tell Sheku Kondeh what to do with  
10 that account?

11 A. No. I can ask him, but I can't tell him  
12 what to do with it. Or I guess I could tell him.  
13 He doesn't have to. He can do whatever he wants  
14 to. I have no authority over it.

15 MR. TOWNLEY: Are these all the same  
16 copy?

17 MR. PIETRANGELO: I guess they are.  
18 Yeah, they are. Sorry.

19 BY MR. PIETRANGELO:

20 Q. Is there any follow-up from Bank of  
21 America after that letter?

22 A. I don't remember to be honest with you.

23 (Whereupon, a document was marked as  
24 Exhibit No. 40.)

25 Q. These are some documents that Mike Byrd

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1 2,000 or something left or something. I don't  
2 know.

3 Q. It didn't really matter to you because it  
4 wasn't your money, right?

5 MR. TOWNLEY: Object to the form.

6 A. No. It was allocated for certain things  
7 and the allocation was spent for the allocation  
8 what it was sent for.

9 Q. Go to the page before that on the wire  
10 transfers, Electronic Withdrawals.

11 A. Okay. All right. Designated -- that's 6  
12 of 8?

13 Q. 6 of 8 I think it is.

14 A. Okay.

15 Q. First one is a \$22,000 to a Commerzbank  
16 for Sheku Kondeh; is that right?

17 A. Yes.

18 Q. Why did you send it to him?

19 A. I don't know why that was that one.

20 Q. And then the next one is \$25,000 to  
21 Commerzbank for Sheku Kondeh?

22 A. It's all the same. It's all going to  
23 Guaranty Bank -- Guaranty Trust.

24 Q. Why does it say Commerzbank?

25 A. Because Commerz is the, what do you call

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1       it, correspondent bank for Guaranty Trust. Every  
2       single one of them will say Commerzbank. If you  
3       read through them or look down, you can see that.

4       Q.       Where is Commerzbank out of? Is that a  
5       German bank?

6       A.       Yeah, it's Germany.

7       Q.       Do they do any business in the United  
8       States?

9       A.       I don't know.

10      Q.       Have you ever talked to anybody at  
11       Commerzbank?

12      A.       No. Because they're the interim bank  
13       to -- when you wire there, you wire through  
14       Commerz.

15      Q.       Okay. This almost \$279,000 payment to  
16       Blue Star Jets, is that for the plane?

17      A.       Yes. That was the first portion for the  
18       plane. That's not all.

19      Q.       There's more for that?

20      A.       Yes.

21      Q.       We have a \$500,000 payment to Rosenthal  
22       Collins, you see that?

23      A.       Yes. That was -- they were going to set  
24       up the accounts. We were working with them to get  
25       the credit line -- that's what I was talking about

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1 the question he asks you.

2 A. Okay. What is your question?

3 Q. Why is it that you have to pay this lawyer  
4 if he doesn't represent you?

5 A. Because he's representing the parties to  
6 get the gold to get it -- come into the States,  
7 and all aspects of whatever it takes to get the  
8 gold to the United States is what has to be  
9 covered.

10 Q. Do you have a written agreement where you  
11 have promised to pay attorneys fees?

12 A. No. Not particularly.

13 Q. How much have you paid to this lawyer?

14 A. I don't know. Maybe 15, 20,000.

15 Q. Do you have any records of that?

16 A. Other than the wires that were wired to  
17 Guaranty Trust, no.

18 Q. Why would you wire money to him -- so you  
19 wired money to Sheku Kondeh to pay this guy?

20 A. Yes. Because Sheku Kondeh is the  
21 representative with the chief that had picked the  
22 lawyers. They're the ones that picked the  
23 lawyers.

24 Q. Why don't you just pay the lawyer  
25 directly?